texts, they have not commenced negotiations on an Investment Protection Agreement.

Visit of US Treasury Secretary

6947. SHRIMATI VEENA VERMA:
SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:

Will the Minister of FINANCE be pleased to state:

(a) whether during the recent visit of the US Treasury Secretary to New Delhi, arrangements were discussed and arrived at for ensuring a two way fast flow of investment and for providing due protection to such investment; and

(b) if so the details of the talks and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHFKARA MURTHY): (a) and (h) During the. visit of the US Treasury Secretary to India from 17th to 20th April, 1995. the focus of discussions related to strengthening of economic and commercial relations between India and USA. The current policy initiatives and the environment which was conducive to investors, and would facilitate enhanced investments in the country was also recognised. The extensive opportunities for increasing US investments, particularly in the core infrastructure sectors were highlighted during discussions. Tn the light of discussions, it was accepted that both countries would continue to work closely with each other to promote further private investments from USA to India, as also to strengthen bilateral economic mid commercial relations. Negotiations for Bilateral Investment Promotion and Protection Agreement did not take place during the aforementioned visit of US Treasury Secretary to India.

Appointment of director in ITC

6948. SHRI S. AUSTIN: Will the Minister of FINANCE be pleased to state:

fa) whether ICICI Securities appointed a Director on the Board of India Tobacco Company in an unusual manner;

(b) if so, what are the compulsions of ICICl Securities to appoint directors at odd hours;

(c) whether Government have given approval for such an appointment in this manner;

(d) whether any guidelines exist for post scam behaviour of financial Institutions; and

(e) the steps being taken to review the management actions of ICICI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M-V. CHANDRASHEKARA MURTHY): (a) Industrial Credit and. Investment .Corporation of India Limited (ICICI) has reported that ICICI Securities and Finance Company Limited (I-Sec) has not appointed a director on the Board of Indian Tobacco Company.

(b) and (c) Do not arise.

(d) Reserve Bank of India have *inter-alia* issued guidelines to financial institutions with regard to investment portfolio-transactions in securities and prudential norms for income recognition, asset classification and provisioning.

(e) The Board of Directors of All India Financial Institutions (AIFIs) such as ICICI are responsible for monitoring the activities of the institution, The Government monitors the position of overall sanctions and disbursements made by the AIFIs and appoints its nominee directors on the Board of AIFIs. Besides, the matters of General policy nature and of common interest to ATFIs are discussed with Chief Executives of ATFIs in meetings held from time to time.

राष्ट्रीयकृत बैंकों के कार्यकरण का निरीक्षण

6949. श्री राम जेठमलानी :
श्रीमती सुषमा स्वराज :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार द्वारा राष्ट्रीयकृत बैंकों के कार्यकरण के निरीक्षण हेतु एक

अन्य अतिरिक्त निरीक्षण व्यवस्था स्थापित की गई है ;

(ख) यदि हां, तो यह व्यवस्था कब से प्रारंभ की गई है तथा इस व्यवस्था की विस्तृत रूपरेखा क्या है ; और

(ग) क्या उपरोक्त निरीक्षण व्यवस्था का नियंत्रण वर्तमान बैंकिंग विभाग द्वारा ही किया जायेगा या अलग से किया जायेगा?

वित्त मंत्रालय में राज्य मंत्री (श्री एम० वी० चन्द्रशेखर मूर्ति) :(क) सरकार ने राष्ट्रीयकृत बैंकों के निरीक्षण के लिये अलग से कोई निरीक्षण व्यवस्था नहीं की है । तथापि, भारतीय रिजर्व बैंक (आर बी आई) ने वित्तीय पर्यवेक्षण के लिये बोर्ड स्थापित किया है। इस बोर्ड को अन्य बातों के साथ-साथ, बैंकों (राष्ट्रीयकृत बैंकों सहित), वित्तीय संस्थाओं और गैर-बैंकिंग वित्तीय कम्पनियों से संबंधित पर्यवेक्षण एवं निरीक्षण की शक्तियों का प्रयोग करने के लिये प्राधिकृत किया गया है।

(ख) तथा (ग) वित्तीय पर्यवेक्षण बोर्ड दिनांक 16 नवम्बर, 1994 से संचालन में आया। इस बोर्ड के कार्य और इसकी शक्तियां निम्नलिखित हैं:–

(1) बोर्ड, वित्तीय प्रणाली के विभिन्न क्षेत्रों जैसे : बैंकिंग कम्पनियों, वित्तीय संस्थाओं और गैर-बैंकिंग संस्थाओं के संबंध में भारतीय रिजर्व बैंक अधिनियम 1934 और बैंककारी विनियमन अधि-नियम, 1949 के तहत पर्यवेक्षण और निरीक्षण कार्य करेगा तथा इनसे संबंधित शक्तियों का प्रयोग करेगा ;

(2) यह भारतीय रिजर्व बैंक के केन्द्रीय निदेशक बोर्ड द्वारा समय-समय पर अधिसूचित अन्य कार्य भी करेगा और ऐसी अन्य शक्तियों का प्रयोग भी करेगा।

Essar employee nabbed by LT. Officials

6950. SHRI DELIP SINGH JUDEV: WiH the Minister of FINANCE be pleased to state:

(a) whether Government's attention) has been drawn to the news item which appeared in the Sunday Times of India dated 11th December, 1994 about an Essar Group employee, carrying Rs. 1 crore in cash, was caught at Madras Airport in December last year by Income Tax officials;

(b) whether it is a fact that the employee, when interrogated, reportedly informed the Income Tax officials that the cash was withdrawn in Bombay and that he was lugging it to Delhi enroute Madras for purchasing revenue stamps for some property deal;

(c) whether it is a fact that Income Tax officials, are reported to have found that the cash withdrawn in Bombay was in the denomination of Rs. 5, Rs. 10, and Rs. 100, whereas the impounded cash with the Essar employee was in) the denomination of Rs. 500 notes only;

(d) whether Government are aware that the cash had been impounded by the Income Tax officials pending further investigations; and

(e) if so, whether the investigations have concluded and if so with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) Two employees of the Essar Groupl were interrogated. One of them had deposed that the money was brought in cash to buy some revenue stamps at Delhi for purchase of a property.

(c) Yes, Sir.

(d) Yes, Sir, casih of Rs. 1 crore was seized by the Income Tax Department od 6-12-94.